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PROVINCE OF BRITISH COLUMBIA

Fiftieth Annual Report

of the Business Done in Pursuance of the

Pension (Municipal) Act

YEAR ENDED DECEMBER 31

1988

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The Honourable David C. Lam,
Lieutenant-Governor of the Province of British Columbia

MAY IT PLEASE YOUR HONOUR:

The undersigned respectfully submits the Report of the business done in pursuance of the *Pension (Municipal) Act* during the fiscal year ended December 31, 1988.

CAROL GRAN
Minister of Government Management Services
and Minister Responsible for
Women's Programs

Office of the Minister of
Government Management Services and
Minister Responsible for
Women's Programs
Victoria, British Columbia
February 6, 1990

The Honourable Carol Gran
Minister of Government Management Services
and Minister Responsible for
Women's Programs
Victoria, British Columbia

MADAM:

I have the honour to lay before you the Report of the business done in pursuance of the *Pension (Municipal) Act* during the fiscal year ended December 31, 1988.

Respectfully submitted,

JOHN W. COOK
Superannuation Commissioner

February 6, 1990

PENSION (MUNICIPAL) ACT

ANNUAL REPORT

Report of business done in pursuance of the *Pension (Municipal) Act* for the fiscal year ended December 31, 1988

Section 2 (1) — During the year the Act applied to the following additional employers effective from the date shown:

B.C. Space Sciences Society	January 1, 1988
Beaver Valley Library Board	January 1, 1988
Campbell River and District Museum Archives Society	January 1, 1988
Smithers Public Library Association	January 1, 1988
Vancouver Maritime Museum Society	January 1, 1988
Kiwanis Lodge	February 1, 1988
Buchanan Memorial Sunset Lodge	April 1, 1988
Central City Mission	April 1, 1988
Cooper Place Intermediate Care Facility	April 1, 1988
Evergreen Baptist Home	April 1, 1988
Golden Ears Retirement Centre	April 1, 1988
Hardy View Lodge	April 1, 1988
Haro Park Centre	April 1, 1988
Hudson's Hope Gething Diagnostic and Treatment Centre	April 1, 1988
Jackman Manor	April 1, 1988
James Bay Multi-Level Care Society (Beckley Farm Lodge)	April 1, 1988
Kiwanis Senior Housing Society of West Vancouver	April 1, 1988
Kiwanis Village Care Home — Sunshine Coast	April 1, 1988
Kopernik Lodge	April 1, 1988
Langley Lodge	April 1, 1988
Lower Mainland Society for Residences for the Physically Handicapped (False Creek Residence)	April 1, 1988
Nelson Jubilee Manor Society	April 1, 1988
New Westminster Buchanan Court	April 1, 1988
North Shore Intermediate Care Society (Cedarview Lodge)	April 1, 1988
Richmond Intermediate Care Society (Rosewood Manor)	April 1, 1988
Royal Arch Masonic Home	April 1, 1988
Sagebrush Lodge	April 1, 1988
St. Jude's Anglican Home	April 1, 1988
Three Links Care Society	April 1, 1988
Town of View Royal	May 12, 1988

British Columbia Institute of Technology Staff Society	June 29, 1988
College Institute Educators' Association of B.C.	June 29, 1988
B.C. InfoHealth Ltd.	June 29, 1988
Vancouver Police Union	June 29, 1988

Section 4 — All monies received and paid out under the provisions of this Act are shown in the statement of changes in fund balance and all assets and liabilities appertaining to the granting of superannuation allowances are shown in the statement of financial position. These financial statements are attached to this report.

Section 5 — Member contributions amounted to $123,915,335 made up as follows:

	$
Basic contributions	101,271,527
Inflation adjustment contributions	19,190,037
Voluntary, special agreement and arrears	3,070,301
Purchase of service	164,008
Leave of absence	33,446
Reinstatement	186,016

As at December 31, 1988 there were 69,473 active contributors with credits in the Fund. There were in addition 13,143 former contributors with credits remaining in the Fund, of whom 1,786 had deferred vested pension rights.

Section 7 (1) — Employers' contributions amounted to $120,696,665 made up as follows:

	$
Current service basic contributions	97,344,572
Inflation adjustment contributions	19,190,029
Purchase of service, special agreement and arrears	4,133,014
Leave of absence	29,050

There were 531 active employer accounts in 1988.

Section 7 (5) — Pursuant to special agreements with 25 employers, special agreement supplementary allowance payments amounting to $137,528 were made from the Fund and provided as follows:

	$
By reimbursement by former employers	53,731
From interest earnings of the Fund as authorized	83,797

Sections 10, 14, 15 (1) and 16 (1) — Superannuation allowances were granted in respect of 1,482 employees made up as follows:

Normal retirement age	1,334
Total and permanent disability	32
Death in service	37
Deferred	79

Transfers totalling $654,276 were received from 1 reciprocal pension plan and 1 other pension plan in respect of 5 members upon grant of

allowance and in respect of 19 members following transfer of service as follows:

		$
Upon grant of allowance:		
Public Service Superannuation Plan	4	13,610
Government of Canada Public Service Superannuation Account	1	72,565
During service:		
Government of Canada Public Service Superannuation Account	19	568,101

Transfers totalling $285,730 were made to 3 reciprocal pension plans, and 1 other pension plan in respect of 25 members upon grant of allowance and in respect of 3 members following transfer of service as follows:

		$
Upon grant of allowance:		
College Pension Plan	1	3,218
Teachers' Pension Plan	1	3,496
Public Service Superannuation Plan	23	228,078
During service:		
Government of Canada Public Service Superannuation Account	3	50,938

Inflation adjustment supplements totalling $27,518,682 (1987 — $23,226,121) were paid to eligible recipients of a superannuation allowance. The annual increases are tied to the consumer price index and are payable to the extent that the capitalized value is available in the Inflation Adjustment Account created for the purpose. For this purpose members' and employers' contributions each at the rate of 1.00% of salary and interest earnings attributable to funds held for the payment of superannuation allowances in excess of the rate assumed by the actuary are allocated to the Inflation Adjustment Account.

Section 13 (6) — Amounts totalling $2,505,600 were paid out of employer contributions to the Medical Services Plan of British Columbia in respect of the matching one half share of monthly medical coverage premiums of eligible recipients of a superannuation allowance.

Sections 15 (6) and 17 — Refunds were granted in respect of 4,262 members and totalled $25,333,516 made up as follows:

		$
Resignations	4,017	24,582,488
Death in service	69	703,979
Miscellaneous	176	47,049

Refunds on resignations included 56 members with more than 10 years of service who elected to receive a refund rather than leave their credits in the Fund in order to receive a deferred superannuation allowance after attaining the minimum retirement age.

Section 21 — Actuarial and administrative expenses paid from the Fund amounted to $2,183,169. In addition, Investment Management Fees of

$696,095 were paid by the Fund to the Provincial Treasury for investment services, in respect of investment management and the safekeeping of securities.

Section 26 — Long-term securities held by the trustee as at December 31, 1988 amounted to $2,048,666,578 par value, as set out in the attached Schedule 1.

Investment transactions during the year (par value) are summarized on the attached Schedule 3.

During the year, the average rate of return of long-term investments purchased was 9.752%. The net earned rate of the Fund was 9.833%.

An Investment Advisory Committee, consisting of the Commissioner of Municipal Superannuation and the Director, Finance, Superannuation Commission, together with representatives from the Ministry of Finance, and the Union of B. C. Municipalities Joint Advisory Committee on Pensions, meets on a quarterly basis during the year and sets guidelines and policy under which investments may be purchased and sold.

The investment strategy followed for 1988 recommended a portfolio mix of 70% long-term and 30% short-term. Investment purchases and sales were managed to achieve this portfolio mix. Long-term investment purchases were in the five to ten year sector of the bond market.

The Superannuation Commission is responsible for cash management and advises the Provincial Treasury of funds available for investment.

Section 30 (2) — An actuarial valuation of the assets and liabilities of the Fund is required to be made by an actuary from time to time at intervals of not more than five years. The most recent valuation was carried out as at December 31, 1985. This valuation disclosed an unfunded liability of $855,352,000 in respect of basic pension benefits, given the present statutory levels of employee and employer contributions.

John W. Cook, F.C.I.A.
Commissioner of Municipal Superannuation

Legislative Assembly
Province of British Columbia

AUDITOR GENERAL

8 Bastion Square
Victoria
British Columbia
V8V 1X4
Telephone: (604) 387-6803
Fax: (604) 387-1230

AUDITOR'S REPORT

To the Commissioner of Municipal Superannuation, and

To the Minister of Government Management Services,
Province of British Columbia:

I have examined the statement of financial position of the Municipal Superannuation Fund as at December 31, 1988 and the statement of changes in fund balance for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Fund as at December 31, 1988 and the changes in the fund balance for the year then ended in accordance with the accounting principles described in note 2 to the financial statements applied on a basis consistent with that of the preceding year.

Further, I have examined the transactions that came to my notice in the course of my examination of the financial statements to determine whether they were in accordance with the Municipal Superannuation Plan. In my opinion, these transactions were, in all significant respects, in compliance with the Plan.

George L. Morfitt, F.C.A.
Auditor General

Victoria, British Columbia
June 16, 1989

MUNICIPAL SUPERANNUATION FUND

STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 1988

	1988	1987
	($ Thousands)	
ASSETS	$	$
Cash	2,183	954
Contributions receivable	23,549	19,886
Accrued interest	43,290	51,692
Investments (Note 3)	3,229,933	2,858,604
Deferred losses less gains on sale of investments (Note 4)	5,673	8,343
	3,304,628	2,939,479
LIABILITIES		
Accounts payable and accrued liabilities	2,342	1,944
FUND BALANCE		
Basic Account	2,841,765	2,536,199
Retirement Annuity Account	104,322	94,981
Inflation Adjustment Account	356,199	306,355
	3,302,286	2,937,535
	3,304,628	2,939,479

The six accompanying notes are an integral part of these financial statements.

APPROVED BY:

John W. Cook, F.C.I.A.,
Superannuation Commissioner

Victor Barwin, C.A.,
Director, Finance, Superannuation Commission

MUNICIPAL SUPERANNUATION FUND

STATEMENT OF CHANGES IN FUND BALANCE FOR THE YEAR ENDED DECEMBER 31, 1988

	Basic Account	Retirement Annuity Account	Inflation Adjustment Account	Totals 1988	Totals 1987
			($ Thousands)		
FUND BALANCE INCREASED BY					
Members' Contributions					
Current	101,272	—	19,190	120,462	115,821
Voluntary	—	—	—	—	135
Special agreement and arrears	74	2,987	9	3,070	2,975
Purchase of service	164	—	—	164	191
Leave of absence	28	—	5	33	33
Reinstatement	176	10	—	186	165
	101,714	2,997	19,204	123,915	119,320
Employers' contributions					
Current	97,345	—	19,190	116,535	111,559
Special agreement and arrears	611	3,332	9	3,952	3,977
Purchase of service	181	—	—	181	211
Leave of absence	24	—	5	29	26
	98,161	3,332	19,204	120,697	115,773
Transfers from other funds	582	—	72	654	263
Income from investments	258,772	8,996	25,688	293,456	252,804
TOTAL INCREASE	459,229	15,325	64,168	538,722	488,160
FUND BALANCE DECREASED BY					
Superannuation allowance payments					
Contributory	115,365	—	—	115,365	103,844
Inflation adjustment supplements	27,519	—	—	27,519	23,226
Special agreement supplements	137	—	—	137	138
Reimbursement from former employers	(54)	—	—	(54)	(63)
	142,967	—	—	142,967	127,145
Refunds	21,276	463	3,594	25,333	24,641
Transfers to other funds	278	—	8	286	291
Medical Plan premiums	2,506	—	—	2,506	1,770
Administration and actuarial fees	2,183	—	—	2,183	1,779
Investment management fees	633	—	63	696	694
TOTAL DECREASE	169,843	463	3,665	173,971	156,320
NET INCREASE BEFORE TRANSFERS	289,386	14,862	60,503	364,751	331,840
ACCOUNT TRANSFERS (Note 5)	16,180	(5,521)	(10,659)	—	—
NET INCREASE IN FUND BALANCE	305,566	9,341	49,844	364,751	331,840
FUND BALANCE AT BEGINNING OF YEAR	2,536,199	94,981	306,355	2,937,535	2,605,695
FUND BALANCE AT END OF YEAR	2,841,765	104,322	356,199	3,302,286	2,937,535

MUNICIPAL SUPERANNUATION FUND

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 1988

1. DESCRIPTION OF THE MUNICIPAL SUPERANNUATION PLAN

The following brief description of the plan is provided for general information only. For more complete information about the plan, reference should be made to the *Pension (Municipal) Act*.

(a) General

The plan is a defined benefit pension plan open to eligible employees of a municipality, hospital, school district, regional college or other employer to which the *Pension (Municipal) Act* applies.

(b) Contributions

Members contribute to the Basic Account 5% of pensionable salary up to the Canada Pension Plan's Year's Maximum Pensionable Earnings and 6½% on pensionable salary above that. Employers contribute to the Basic Account at varying rates depending upon the mix of employees in the group classifications specified by the plan. Members and employers also each contribute 1% of pensionable salary to the Inflation Adjustment Account which was created in 1980 to provide for the payment of inflation adjustment supplements. Some employers have special agreements with their employees by which both make extra contributions to increase the employees' pensions. These contributions plus members' voluntary contributions are credited to the Retirement Annuity Account.

(c) Retirement Benefits

Members are eligible for unreduced pensions if retirement is at normal retirement age as defined in the plan, or at an age within 5 years of normal retirement age with at least 10 years contributory service. Unreduced pensions are also available to members whose normal retirement age is 65, at age 55 with at least 35 years contributory service, or if the normal retirement age is 60, at age 50 with 30 years contributory service. Members who do not meet the above criteria are eligible for reduced pensions at an age 10 years under the normal retirement age with at least 10 years contributory service, or if retiring within 5 years under the normal retirement age with less than 10 years contributory service.

The plan provides a pension of 1¾% of the highest 5-year average salary for each year of pensionable service credited prior to the date the employer enrolled in the plan, plus 2% of the highest 5-year average salary for each year after the date the employer enrolled. The maximum pensionable service allowable under the plan is 35 years. At age 65, or date of death or disability, if earlier, there is a reduction in the formula as a result of integration with the Canada Pension Plan.

The inflation adjustment supplements are provided each January 1st and are related to the annual increase in the Consumer Price Index (CPI) as at the previous September 30th. The increase is pro-rated if the capitalized value of the increases exceeds the funds available in the Inflation Adjustment Account. As there were sufficient funds available at January 1, 1988, a full CPI increase of 4.5% (1987 — 4.1%) was provided to the basic lifetime portion of the contributory superannuation allowances in force. Sufficient funds were also available to provide a full CPI increase of 4.1% effective January 1, 1989.

(d) Termination and Portability Benefits

A terminating member may choose between leaving accumulated contributions on deposit or obtaining a refund. The refund includes interest credited. Members with at least 10 years of contributory service who leave contributions in the Fund are entitled to deferred pension benefits. Those members not withdrawing contributions may carry certain pension rights to other pension plans that have portability arrangements with the Municipal Superannuation Plan. New members may also, under portability arrangements, transfer contributions and service from other plans to provide increased pension benefits under the Municipal Superannuation Plan.

(e) Other Benefits

Disability and survivor benefits are available under the plan.

(f) Legislation

Bill 39, the *Pension (Miscellaneous Amendments) Act, 1988*, which received Royal Assent on June 29, 1988 provided for numerous amendments to the *Pension (Municipal) Act*. The provisions of the Act were changed to remove the age restriction for becoming a member of the plan and to require that a member will always remain a member while still employed with the same employer.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) General Information

These financial statements have been prepared on the accrual basis of accounting. They show only the financial position of the Fund as at December 31, 1988 and the changes in Fund balance for the year then ended and do not purport to show the adequacy of the Fund to meet the obligations of the superannuation plan. The results of the latest actuarial valuation of the plan are described in Note 6.

(b) Investments

(i) Short-term investments are carried at cost of acquisition.

(ii) Units in Pooled Investment Portfolios are carried at the cost of acquisition adjusted by income attributed to the units. Income attributed to the units represents the Fund's share of investment income earned by the Portfolios and is realizable by the Fund upon the sale of the units.

(iii) Long-term investments are those purchased with a term in excess of one year. They are carried at cost of acquisition adjusted by the amortization of discounts and premiums on a constant yield basis over the remaining terms of the investments.

(c) Deferred Losses Less Gains on Sale of Investments

Gains and losses on disposal of long-term investments are deferred and amortized on a straight line basis over the lesser of the remaining terms of the investments or twenty years. The amortization is charged against income from investments.

3. INVESTMENTS

The book value of investments held at the end of the year was as follows:

	1988	1987
	($ Thousands)	
Short-term investments	—	241,602
Units in Province of British Columbia Pooled Investment Portfolios	1,224,038	759,760
Long-term investments	2,005,895	1,857,242
	3,229,933	2,858,604

As at December 31, 1988, the market value of the units was $1,223,850,837 (1987 — $761,028,936) and the market value of the long-term investments was $1,940,404,144 (1987 — $1,800,418,293).

4. DEFERRED LOSSES LESS GAINS ON SALE OF INVESTMENTS

	1988	1987
	($ Thousands)	
Balance at beginning of year	8,343	10,202
Gains less losses on sale of investments	2,460	1,155
	5,883	9,047
Amortization for the year	210	704
Balance at end of year	5,673	8,343

5. ACCOUNT TRANSFERS

The Basic Account is increased by the capitalized value of inflation adjustment supplements and pensions purchased from the Retirement Annuity Account and the capitalized value of the indexing of the highest average salary for employees electing deferred pensions during the year.

The Inflation Adjustment Account is increased by income that is earned on assets held in the Basic Account in respect of pensions being paid, and which is in excess of income calculated using the interest rate assumed by the Actuary.

	1988			1987		
		Retirement Inflation			Retirement Inflation	
	Basic Account	Annuity Account	Adjustment Account	Basic Account	Annuity Account	Adjustment Account
	($ Thousands)					
Capitalized value of inflation adjustment supplements granted	48,624	—	(46,624)	39,042	—	(39,042)
Capitalized value of indexing of highest average salary	1,600	—	(1,600)	1,580	—	(1,580)
Excess interest	(39,556)	—	39,556	(27,680)	—	27,680
Pensions purchased from Retirement Annuity Account	5,248	(5,248)	—	5,610	(5,610)	—
Other	264	(273)	9	108	(112)	4
	16,180	(5,521)	(10,659)	18,660	(5,722)	(12,938)

6. ACTUARIAL VALUATION

According to the *Pension (Municipal) Act*, an actuarial valuation of the assets and liabilities of the Fund is required to be made by an Actuary at intervals of not more than five years. The most recent valuation was carried out as at December 31, 1985 and indicated an unfunded liability of $855,352,000 in respect of basic pension benefits. This represented an increase of $154,898,000 since December 31, 1982, the date of the previous valuation, and arose mainly from interest charges on the unfunded liability.

The Actuary stated that he did not see the unfunded liability as a threat to the continued payment of pensions to current and prospective pensioners, or to the financial health of the pension plan. He did, however, recommend that the statutory contribution rates be increased to at least those required under the level contribution method. This method expresses employer contributions as a constant percentage of future payrolls that, together with future employee contributions and investment earnings, will finance the benefits for a typical new entrant to the plan and, in addition, will maintain the unfunded liability as a constant percentage of future payrolls. To date the contribution rates have not been changed.

MUNICIPAL SUPERANNUATION FUND

SCHEDULE 1
LONG-TERM INVESTMENTS HELD AS AT DECEMBER 31, 1988

	Par Value $	Book Value $	Market Value $
Government of Canada	573,912,000	585,928,237	581,808,619
Government of Canada Interest Coupons	172,675,625	122,153,378	116,929,863
Government of Canada			
Federal Business Development Bank	5,000,000	5,009,083	4,954,615
Export Development Corporation	13,000,000	12,998,511	12,986,506
Province of British Columbia	84,445,000	83,340,877	81,893,873
Province of British Columbia guaranty			
B.C. Hydro and Power Authority	491,078,000	490,151,678	459,079,436
Zero-Interest B.C. Hydro Bonds	5,075,000	4,015,188	3,885,354
B.C. Railway Company	143,335,000	143,036,554	131,850,260
B.C. School Districts Capital Financing Authority	18,294,000	18,275,943	17,601,478
B.C. Regional Hospital Districts Financing Authority	9,215,000	9,185,387	8,364,650
B.C. Irrigation Districts	4,660,000	4,656,110	3,876,500
B.C. Improvement Districts Serials	16,000	15,262	14,812
B.C. Improvement Districts	958,000	957,173	792,859
B.C. Waterworks Districts Serials	169,000	168,498	151,149
B.C. Waterworks Districts	322,000	321,504	272,650
Municipal Finance Authority of B.C.	34,432,953	34,421,487	31,794,648
Province of Alberta	15,200,000	15,125,941	14,599,355
Province of Alberta guaranty			
Alberta Municipal Finance Corporation	20,175,000	21,277,414	21,348,937
Alberta Government Telephone	6,800,000	6,763,512	6,402,628
Province of Manitoba	56,700,000	56,567,124	55,539,638
Province of New Brunswick	3,200,000	3,198,302	3,195,200
Province of Nova Scotia	3,000,000	3,028,445	3,093,900
Province of Nova Scotia guaranty			
Nova Scotia Power	825,000	814,463	728,475
Province of Ontario	12,300,000	12,311,860	12,293,850
Province of Ontario guaranty			
Ontario Hydro	241,054,000	242,360,052	236,818,689
Province of Prince Edward Island	1,000,000	998,049	1,000,497
Province of Quebec	14,640,000	14,657,969	16,060,068
Province of Quebec guaranty			
Quebec Hydro	33,550,000	33,370,205	33,304,142
Quebec Hydro Interest Coupons	9,000,000	6,662,099	6,553,053
Province of Saskatchewan	74,635,000	74,124,296	73,208,440
TOTALS	2,048,666,578	2,005,894,601	1,940,404,144
1987 Comparisons	1,916,536,453	1,857,241,999	1,800,418,293

MUNICIPAL SUPERANNUATION FUND

SCHEDULE 2

Contributions by Employer for Year Ended December 31, 1988

($ Thousands)

EMPLOYERS	Total Number of Employers	Contributory Salaries	Members' Contributions	Employers' Contributions	Grand Total
		$	$	$	$
Cities	38	355,318	22,595	25,944	48,539
Districts	46	236,503	15,064	16,641	31,705
Regional Districts	26	49,162	3,125	2,748	5,873
Towns	14	7,270	457	426	883
Villages	48	9,384	589	541	1,130
Hospitals	116	891,775	56,136	48,869	105,000
Long-Term and Extended Care Hospitals	74	36,015	2,200	2,070	4,270
School Districts	70	226,387	13,964	13,722	27,686
Colleges	20	44,487	2,699	2,294	4,993
Miscellaneous Employers	79	57,477	3,633	3,280	6,913
Total Accounts With Active Contributors	531	1,913,778	120,462	116,535	236,997
1987 COMPARISONS					
Total Accounts With Active Contributors	506	1,839,855	115,821	111,559	227,380

Members' and employers' contributions are in respsect of basic and inflation adjustment contributions only and do not include contributions made in respect of voluntary, special agreement, arrears, purchase of service, leave of absence or reinstatement contributions.

MUNICIPAL SUPERANNUATION FUND

SCHEDULE 3

INVESTMENT INTEREST AND TRANSACTIONS

Comparative Statistics, January 1, 1979 to December 31, 1988

	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988
	%	%	%	%	%	%	%	%	%	%
Net earned rate of the fund	9.175	9.356	11.002	11.377	10.510	10.719	10.561	10.145	9.517	9.833
Average rate of return of long-term investments purchased in year	10.481	12.384	14.334	13.592	12.552	12.422	10.677	9.334	9.226	9.752
	$ (000)	$ (000)	$ (000)	$ (000)	$ (000)	$ (000)	$ (000)	$ (000)	$ (000)	$ (000)
Income from investments	68,567	81,105	115,914	144,703	158,054	189,505	216,784	238,082	252,804	293,456
Long-term investment transactions										
Purchases (par value)	95,034	111,564	5,087	11,664	292,061	255,340	536,976	420,600	312,500	517,605
Maturities and sales (par value)	11,990	8,052	6,030	6,472	79,293	222,278	166,247	174,205	200,119	385,475
Net increase (decrease)	83,044	103,512	(943)	5,192	212,768	33,062	370,729	246,395	112,381	132,130
Short-term										
Increase (decrease)	37,337	35,476	187,353	170,434	103,323	240,742	(50,291)	45,897	217,205	222,676
Fund balance										
Basic Account	789,589	922,177	1,060,630	1,307,452	1,536,894	1,774,600	2,010,816	2,254,743	2,536,199	2,841,765
Retirement Annuity Account	44,854	49,509	53,400	59,214	66,400	72,091	79,218	86,422	94,981	104,322
Inflation Adjustment Account[1]	—	9,816	49,494	76,782	111,107	154,267	210,987	264,530	306,355	356,199
Fund balance at end of year	834,443	981,502	1,183,524	1,443,448	1,714,401	2,000,958	2,301,021	2,605,695	2,937,535	3,302,286

[1] Commenced October 1, 1980.

MUNICIPAL SUPERANNUATION FUND

SCHEDULE 4

Main Comparative Statistics, January 1, 1979 to December 31, 1988

Fiscal Year	Contributions			Member Refunds		Superannuation Allowances			
	Number of Contributors	Member	Employer	Number	Amount	Granted During Year	Deaths and Expir-ations	In Force at End of Year	Amount Paid
		$	$		$				$
1979	63,186	52,654,500	51,468,877	7,431	13,288,096	812	175	8,495	36,796,260
1980	67,129	65,877,331	60,554,300	8,617	14,891,973	792	221	9,066	40,098,485
1981	69,912	84,329,185	76,705,145	8,626	21,423,749	850	205	9,711	51,425,603
1982	72,439	100,177,930	95,214,514	5,448	14,577,319	895	217	10,389	62,688,059
1983	72,992	102,430,961	103,077,070	4,404	14,912,614	962	232	11,119	74,667,142
1984	73,311	104,141,969	103,590,089	4,968	20,375,667	1,177	237	12,059	87,011,002
1985	73,661	105,092,474	104,371,102	4,729	22,765,595	1,277	280	13,056	99,555,218
1986	74,644	105,717,742	105,158,847	5,044	26,748,980	1,246	252	14,050	113,104,743
1987	77,521	119,318,690	115,773,582	4,385	24,641,344	1,301	277	15,074	127,144,643
1988	82,616	123,915,335	120,696,666	4,262	25,333,516	1,482	365	16,191	142,967,069

MUNICIPAL SUPERANNUATION FUND

SCHEDULE 5

Comparative Statistics, January 1, 1979 to December 31, 1988

Subdivided According to Sex of Contributor

Fiscal Year	Maximum Retirement Age	Number of Contributors		Number of Refunds Granted		Superannuation Allowances					
						Granted During Year		Deaths and Expirations		In Force at End of Year	
		Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
1979	65	22,241	35,700	1,846	5,523	434	264	73	98	4,624	1,942
	60	4,739	506	43	19	85	29	1	3	1,251	678
1980[1]	65	22,627	39,679	2,277	6,251	419	256	190	26	5,726	2,611
	60	4,336	487	71	18	80	37	3	2	511	218
1981[1]	65	22,974	42,070	2,212	6,246	451	273	140	58	6,037	2,826
	60	4,418	450	81	19	99	27	3	4	607	241
1982[1]	65	23,749	43,795	1,243	4,156	475	322	154	58	6,358	3,090
	60	4,446	449	38	11	71	27	2	3	676	265
1983	65	23,408	44,674	1,087	3,281	538	333	158	65	6,738	3,358
	60	4,490	420	29	7	66	25	1	8	741	282
1984	65	23,135	45,330	1,052	3,875	620	444	170	62	7,188	3,740
	60	4,458	388	37	4	88	25	2	3	827	304
1985	65	22,954	45,883	949	3,727	686	481	174	92	7,700	4,129
	60	4,461	363	45	8	90	20	6	8	911	316
1986	65	22,955	46,853	1,063	3,943	616	504	159	86	8,157	4,547
	60	4,491	345	31	7	108	18	7	0	1,012	334
1987	65	23,389	49,314	921	3,434	654	524	179	85	8,637	4,986
	60	4,500	318	28	2	91	32	8	5	1,094	357
1988	65	24,803	52,969	921	3,300	709	660	231	125	9,115	5,521
	60	4,533	311	38	3	96	17	4	5	1,186	369

[1] Allowances in force were restated from the "recipient" basis to the "contributor" sex and age basis in 1982. Comparative figures for 1980 and 1981 have been restated.

MUNICIPAL SUPERANNUATION FUND

SCHEDULE 6

Summary of Normal Allowances Granted During 1988

SUBDIVIDED BY YEARS OF SERVICE AND VALUE OF ALLOWANCE

Years of Service	Number of Allowances Granted	Average Salary During Last Five Years	Average Annual Alowance on Single Life Plan	Average Value of Allowance	Average Member's Share	Average Employer's Share
		$	$	$	$	$
Under 10 years	210	28,741	2,449	28,083	10,007	18,076
10–14	337	27,000	4,652	52,967	20,496	32,471
15–19	281	28,477	6,928	77,057	28,154	48,903
20–24	182	31,186	10,005	110,591	37,821	72,770
25–29	137	33,207	14,949	164,311	53,021	111,290
30–34	130	36,912	22,408	253,038	83,343	169,695
35–39	54	39,653	26,222	285,106	86,345	198,761
Over 40	3	39,528	24,400	263,193	76,116	187,077
AVERAGE OF NORMAL ALLOWANCES GRANTED DURING YEAR:						
18 (Service)	61 (Age)	30,300	9,221	102,788	35,077	67,711
TOTAL VALUE OF NORMAL ALLOWANCES GRANTED DURING YEAR:						
	1,334		12,300,287	137,118,905	46,793,043	90,325,862

MUNICIPAL SUPERANNUATION FUND

SCHEDULE 7

Normal Allowances Granted During Year Ended December 31, 1988

SUBDIVIDED BY YEARS OF SERVICE AND AGE AT RETIREMENT

GRANTED TO FORMER CONTRIBUTORS WHOSE MAXIMUM RETIREMENT AGE WAS 65

Years of Service	Age at Retirement											Total	Per Cent
	55	56	57	58	59	60	61	62	63	64	65		
Under 10	20	9	14	5	18	22	28	18	12	23	37	206	17
10–14	13	12	9	14	11	79	38	23	38	26	68	331	28
15–19	10	4	7	14	11	62	14	37	16	24	73	272	23
20–24	10	5	9	2	4	40	12	15	9	18	48	172	14
25–29	3	5	6	4	8	21	11	10	7	9	28	112	9
30–34	3	4	1	5	3	17	3	4	9	6	14	69	6
35 and over	2	6	4	4	4	4	1	1	4	3	5	38	3
Total	61	45	50	48	59	245	107	108	95	109	273	1,200	—
Percent	5	4	4	4	5	20	9	9	9	9	22	—	100

GRANTED TO FORMER CONTRIBUTORS WHOSE MAXIMUM RETIREMENT AGE WAS 60

Years of Service	Age at Retirement											Total	Per Cent
	50	51	52	53	54	55	56	57	58	59	60		
Under 10	—	—	—	—	—	—	—	—	2	2	—	4	3
10–14	—	—	1	1	—	—	1	1	—	—	2	6	4
15–19	1	—	—	—	—	—	3	—	—	1	4	9	7
20–24	—	—	—	1	—	2	—	2	—	—	5	10	7
25–29	1	—	1	—	1	6	5	4	1	—	6	25	19
30–34	—	2	4	2	9	6	6	11	6	7	8	61	46
35 and over	—	—	—	—	—	—	1	1	6	6	5	19	14
Total	2	2	6	4	10	14	16	19	15	16	30	134	—
Percent	1	1	3	2	5	10	12	14	12	12	28	—	100

Allowances Other Than Normal Granted During Year Ended December 31, 1988

Number of Allowances Granted	Death	Disability	Deferred
148	37	32	79

MUNICIPAL SUPERANNUATION FUND

SCHEDULE 8

Number of Contributors and Pensioners by Employer, as at December 31, 1988

Employers	Total Number of Employers	Active Contributors				Pensioners	Total Pensioners and Contributors
		Class I	Class II	Class III	Class IV		
Cities	38	5,320	2,772	106	2,461	5,318	15,977
Districts	46	3,896	1,601	49	1,734	1,849	9,129
Regional Districts	26	978	15	4	581	271	1,849
Towns	14	184	4	—	63	53	304
Villages	48	210	5	—	85	36	336
Hospitals	116	5,268	—	1	28,712	5,157	39,138
Long-Term and Extended Care Hospitals	74	236	—	—	1,611	54	1,901
School Districts	70	4,511	2	71	5,001	2,782	12,367
Colleges	20	607	—	5	1,387	163	2,162
Miscellaneous Employers	79	714	33	13	1,233	508	2,501
Total Accounts With Active Contributors or Pensioners	531	21,924	4,432	249	42,868	16,191	85,664
1987 COMPARISONS Total Accounts With Active Contributors or Pensioners	524	20,550	4,409	247	39,833	15,074	80,113

MUNICIPAL SUPERANNUATION FUND

SCHEDULE 9

Approved and Reciprocal Employers as at December 31, 1988

APPROVED EMPLOYERS

Section 10 (5) provides for the granting of a deferred allowance to a contributor who within three years of making his last contribution to the Fund enters the employment of one or more of the following employers, remains in employment long enough to qualify for a monthly pension benefit and has at least 10 years combined contributory service under this plan and the pension plan of the approved employer —

	Effective Date
Government of Canada	April 1, 1958
British Columbia Railway Company	April 2, 1969
British Columbia Hydro and Power Authority	April 2, 1969
Employers to whom the *Legislative Assembly Allowances and Pension Act* applies	April 2, 1969
International Brotherhood of Electrical Workers Local 213	April 22, 1977
Montreal Children's Hospital	February 17, 1976
Plumbing and Pipefitting Workers Local 170	March 19, 1976
Registered Nurses' Association of British Columbia Split-Fund Retirement Plan	December 1, 1982
School District No. 34 — Abbotsford (Excluded Staff)	December 6, 1982
School District No. 35 (Langley)	August 15, 1974
School District No. 43 (Coquitlam)	August 3, 1973
Simon Fraser University	March 24, 1980
University of British Columbia — Faculty Staff	August 23, 1973
University of Toronto	March 15, 1977
University of Victoria	March 24, 1970
City of Winnipeg	December 6, 1982
Canadian Union of Public Employees	June 10, 1986
Mount Allison University	June 9, 1986

AGREEMENTS NEGOTIATED WITH OTHER EMPLOYERS

Section 10 (8) provides that the Commissioner may enter into an agreement for the transfer of funds in respect of an employee who transfers to or from the service of the following employers —

Government of Canada	June 19, 1975
University of British Columbia (Employed Staff)	April 7, 1981
Langley School District No. 35 (Non-teaching Staff)	November 15, 1983
Coquitlam School District No. 43 (Non-teaching Staff)	January 15, 1985
Manitoba Municipal Employees' Pension Plan	May 29, 1987

RECIPROCAL EMPLOYERS

Section 11 provides for the method of calculating the monthly pension benefit of an employee who within three years of making his last contribution to the Fund transfers to or from the service of the following reciprocal employers and commences contributing to the pension plan —

Any employer to whom the *Pension (Public Service) Act* applies	June 1, 1973
Any employer to whom the *Pension (College) Act* applies	June 1, 1973
Any employer to whom the *Pension (Teachers) Act* applies	June 1, 1973
Workers' Compensation Board	June 5, 1974

MUNICIPAL SUPERANNUATION FUND

SCHEDULE 10

Approved Long-Term Disability Salary Continuance Plans
As at December 31, 1988

Employer	Date Approved by Provincial Secretary
Arrow Lakes School District No. 10	June 12, 1979
B. C. Health Association (Management employees of participating hospitals and other health facilities)	March 11, 1975
Association of B. C. School Superintendents & B. C. School District Secretary-Treasurer Association (Formerly B.C.T.F. Long Term Disability Plan covered Secretary-Treasurers, Superintendents, and Exempt/Management Staff of participating School Districts)	February 24, 1977
Corporation of the District of Burnaby	October 29, 1979
Capilano College	June 4, 1979
College of New Caledonia	April 30, 1979
Douglas College	July 30, 1979
Greater Vancouver Mental Health Service (Metropolitan Board of Health of Greater Vancouver)	April 8, 1976
Justice Institute of B. C.	August 3, 1979
City of Kelowna	April 21, 1975
Northern Lights College	June 8, 1979
Northwest Community College	October 29, 1979
District of Oak Bay	December 19, 1974
Okanagan College	February 4, 1977
Pacific National Exhibition	June 16, 1977
B. C. Institute of Technology	April 9, 1979
District of Surrey	August 3, 1979
Vancouver Community College	June 6, 1979
Vancouver Public Aquarium Association	February 16, 1979
West Vancouver School District No. 45 (Non-teaching Union Staff)	June 16, 1977
HLRA Health and Benefit Plan	December 12, 1979
Open Learning Institute	December 18, 1979
District of Surrey Firefighters Association	March 6, 1980
Surrey School District Senior Administrative Staff	June 13, 1978
West Vancouver School District Senior Administrative Staff	June 16, 1977
Camosun College	July 11, 1980
East Kootenay Community College	July 11, 1980
District of MacKenzie	June 9, 1981
North Island College	August 6, 1981
Okanagan Mainline Municipal Labour Relations Association (City of Kamloops, Village of Logan Lake, City of Penticton, District of Salmon Arm, City of Kelowna, Village of Oliver, Town of Princeton, District of Summerland, Village of Keremeos, Village of Osoyoos, City of Revelstoke and Thompson-Nicola Regional District)	August 6, 1981
City of Kamloops Firefighters	August 6, 1981
City of Kamloops (Management)	August 6, 1981
Delta Municipal Police Association	June 19, 1980
District of Matsqui	February 4, 1981
City of Vancouver CUPE Local 1004	June 27, 1980
District of Saanich	August 31, 1981
Corporation of the City of Victoria Police Union	November 27, 1980
Fraser Valley College	February 17, 1982
Dewdney-Alouette Regional District (Management Employees)	December 17, 1981
Town of Parksville	February 17, 1982
Corporation of the Village of Qualicum Beach	February 17, 1982
City of Port Moody	February 25, 1982
Corporation of the Township of Richmond	February 17, 1982
Regional District of East Kootenay	March 15, 1982

MUNICIPAL SUPERANNUATION FUND

SCHEDULE 10 — *Continued*

Approved Long-Term Disability Salary Continuance Plans
As at December 31, 1988

Employer	Date Approved by Provincial Secretary
Town of Smithers/New Hazelton	March 15, 1982
Regional District of Columbia-Shuswap	March 29, 1982
Corporation of the City of Langley	April 29, 1982
City of Armstrong	May 26, 1982
District of Houston	May 26, 1982
Central Fraser Valley Regional District	July 23, 1982
Malaspina College	August 3, 1982
District of Powell River	August 26, 1982
Vancouver Association of Civic Managerial & Professional Staff	October 4, 1982
Corporation of Delta	January 20, 1983
Kwantlen College	March 24, 1983
The Corporation of the City of Cranbrook	May 31, 1983
Penticton and District Retirement Service	June 23, 1983
Thompson-Nicola Regional District	July 20, 1983
City of Port Alberni	August 12, 1983
City of Kimberley	October 28, 1983
Kimberley Special Care Home Society	November 17, 1983
Greenwoods Gulf Islands Intermediate and Personal Care Society	November 16, 1983
Corporation of the City of New Westminster	November 22, 1983
Sunset Lodge	November 22, 1983
Shaughnessy Manor Long Term Care Society	November 29, 1983
Salmon Arm Pioneer Society	November 29, 1983
Capital Regional District (Nurses Only)	January 3, 1984
Corporation of the City of Vernon	January 23, 1984
City of Dawson Creek	January 23, 1984
School District No. 62 (Sooke)	March 9, 1984
West Coast General Hospital	March 9, 1984
Hospital Employees' Union Local 180	March 14, 1984
School District No. 70 (Alberni)	March 21, 1984
Cariboo College	April 2, 1984
Selkirk College	April 9, 1984
District of Abbotsford	June 1, 1984
Saanich Police Association	June 27, 1984
District of Elkford	August 2, 1984
B. C. School Trustees Association	August 16, 1984
City of Duncan	October 2, 1984
Village of Gold River	October 2, 1984
District of Kitimat	October 24, 1984
District of Kitimat — Firefighters L1304	October 24, 1984
U.B.C. Health Sciences Centre	October 24, 1984
Union of B. C. Municipalities	December 12, 1984
(Regional District of Alberni Clayquot, City of Armstrong, Village of Burns Lake, District of Central Saanich, District of Coldstream, Town of Comox, Town of Creston, Village of Cumberland, City of Dawson Creek, Regional District of East Kootenay, City of Fernie, Town of Gibsons, Town of Golden, District of Hudson's Hope, District of Houston, District of Kitimat, City of Langley, Village of Lumby, District of MacKenzie, District of Mission, Regional District of Okanagan-Similkameen, Town of Parksville, Peace River Liard Regional District, District of Peachland, Village of Port Clements, City of Port Moody, City of Prince Rupert, Village of Qualicum Beach, Town of Smithers/New Hazelton, Sunshine Coast Regional District (including Sechelt), Village of Taylor, Village of Tofino, City of Vernon)	

MUNICIPAL SUPERANNUATION FUND

SCHEDULE 10 — *Continued*

Approved Long-Term Disability Salary Continuance Plans
As at December 31, 1988

Employer	Date Approved by Provincial Secretary
Corporation of the City of Port Coquitlam	April 2, 1985
City of Quesnel	April 22, 1985
Victoria Regional Laundry Society	May 28, 1985
District of Coquitlam Firefighters' Union, Local 1782	June 13, 1985
School District No. 59 (Peace River South)	June 19, 1985
Western Rehabilitation Society (Pearson Hospital)	June 24, 1985
Continuing Care Employee Relations Association of B. C. (Gulf Islands Intermediate and Personal Care Society (Greenwoods), Kinsmen Retirement Centre Association, Trail Senior Citizen's Lodge Society (Kiro Manor), M.S.A. Manor Society, Menno Home, Nanaimo Travellers Lodge Society, Penticton & District Retirement Service, Pleasant View Housing Society, Ponderosa Lodge, Rest Haven Lodge, Richmond Lions Manor Society, Salmon Arm Pioneer Society, Sunset Lodge, Shaughnessy Manor Long Term Care Society, Trinity Centre Care Society)	June 5, 1985
New Vista Society	July 31, 1985
Pacific Marine Training Institute	July 31, 1985
Vancouver General Hospital	August 16, 1985
District of Coquitlam	October 1, 1985
West Vancouver Police Union	October 3, 1985
City of Williams Lake	October 11, 1985
Esquimalt Police Union	October 1, 1985
New Westminster Policemen's Union	December 11, 1985
B.C.T.F. Salary Indemnity Plan — Long Term	April 8, 1986
Emily Carr College of Art and Design	November 6, 1986
City of Fort St. John	October 7, 1986
Knowledge Network	March 14, 1986
Corporation of the Township of Langley	August 13, 1986
City of Prince George	February 14, 1986
Registered Nurses' Association of B. C.	May 29, 1986
West Vancouver Firefighters' Union	January 24, 1986
School District No. 2 (Cranbrook)	April 9, 1987
Greater Vancouver Regional District	April 16, 1987
School District No. 80 (Kitimat)	April 16, 1987
School District No. 55 (Burns Lake)	April 29, 1987
School District No. 37 (Delta)	April 29, 1987
Baptist Housing Administration Society of B.C.	May 21, 1987
School District No. 86 (Creston–Kaslo)	June 4, 1987
School District No. 1 (Fernie)	July 17, 1987
School District No. 18 (Golden)	July 23, 1987
School District No. 4 (Windermere)	July 23, 1987
School District No. 3 (Kimberley)	July 27, 1987
Capital Regional District	October 15, 1987
Greater Victoria Labour Relations Association — Canadian Union of Public Employees' Long Term Disability Plan	October 23, 1987
Health Sciences Association of B.C.	December 30, 1987
Okanagan Labour Relations Council:	December 30, 1987
School District No. 13 (Kettle Valley),	
School District No. 14 (Southern Okanagan),	
School District No. 15 (Penticton),	
School District No. 21 (Armstrong–Spallumcheen),	
School District No. 22 (Vernon),	
School District No. 23 (Central Okanagan),	
School District No. 77 (Summerland),	
School District No. 89 (Shuswap)	

MUNICIPAL SUPERANNUATION FUND

SCHEDULE 10 — *Continued*

Approved Long-Term Disability Salary Continuance Plans
As at December 31, 1988

Employer	Date Approved by Provincial Secretary
City of Trail	February 2, 1988
District of Chilliwack	February 12, 1988
Northwest Labour Relations Council School District No. 52 (Prince Rupert)	May 6, 1988
City of Kamloops — CUPE Local 900	June 3, 1988
Cariboo-Thompson Nicola Library System	June 7, 1988
Village of Tahsis	June 28, 1988
City of Vancouver Nurses	September 7, 1988
Village of Ashcroft	October 21, 1988